



**COUNTY OF LOS ANGELES**  
**DEPARTMENT OF PUBLIC WORKS**

*"To Enrich Lives Through Effective and Caring Service"*

900 SOUTH FREMONT AVENUE  
ALHAMBRA, CALIFORNIA 91803-1331  
Telephone: (626) 458-5100  
<http://dpw.lacounty.gov>

**GAIL FARBER, Director**

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

May 29, 2012

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

**ADOPTED**

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

**64 May 29, 2012**

*Sachi A. Hamai*  
SACHI A. HAMAI  
EXECUTIVE OFFICER

**AWARD OF A PUBLIC WORKS CONSTRUCTION CONTRACT  
GORMAN POST ROAD, ET AL., PHASE 2  
IN THE UNINCORPORATED COMMUNITIES OF  
GORMAN AND STEVENSON RANCH  
(SUPERVISORIAL DISTRICT 5)  
(3 VOTES)**

**SUBJECT**

This action is to relieve the low bidder, All American Asphalt, from its bid and award a public works construction contract to Silvia Construction, Inc., the apparent lowest responsive and responsible bidder, for the Gorman Post Road, et al. Phase 2 project, and authorize the Director of Public Works or her designee to execute a contract for work in the unincorporated communities of Gorman and Stevenson Ranch.

**IT IS RECOMMENDED THAT YOUR BOARD:**

1. Relieve the low bidder, All American Asphalt, from its bid as provided in Section 5101(a) of the State Public Contract Code because of a mistake in its bid documents.
2. Find that Silvia Construction, Inc. is the apparent lowest responsive and responsible bidder, and award a construction contract for Project ID No. RDC0015326 – Gorman Post Road, et al., Phase 2, for reconstruction and resurfacing of roadway pavement, in the unincorporated communities of Gorman and Stevenson Ranch, to Silvia Construction, Inc., in the amount of \$5,125,878.24, following receipt of approved Faithful Performance and Payment Labor and Material Bonds and insurance filed by the contractor for the project.
3. Delegate to the Director of Public Works or her designee the authority to determine, in

accordance with the applicable contract and bid specifications, whether the contractor has satisfied the conditions for contract award, and authorize the Director of Public Works to prepare, execute, and implement the construction contract \$5,125,878.24.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

Approving of the recommended actions will allow the Department of Public Works (Public Works) to proceed with construction of Gorman Post Road, et al. Phase 2.

On February 7, 2012, Agenda Item 30, your Board approved the project; adopted the plans and specifications, called for bids to be received on March 6, 2012; and instructed the Executive Officer of the Board of Supervisors to advertise the project.

On March 6, 2012, ten bids were opened and the contractor with the lowest bid was All American Asphalt (All American) with a bid in the amount of \$4,470,000. On March 7, 2012, All American submitted a letter to Public Works requesting relief of its bid due to a mistake resulting in a significant underbid. A review of the bid documents submitted confirmed a bona fide mistake, which made All American's bid materially different than it intended it to be. Therefore, we recommended that All American be relieved of its bid as provided in Section 5101(a) of the State Public Contract Code and the contract be awarded to Silvia Construction, Inc., the responsible bidder with the second lowest responsive bid.

On February 7, 2012, your Board authorized the Director or her designee to award, execute, and implement a construction contract with the apparent lowest responsive and responsible bidder within the estimated cost range of \$3,500,000 and \$4,900,000. Since the recommended contract amount exceeds the approved estimate, this recommendation is made to have your Board award the contract.

The enclosure includes the project description, the call for bids and bid opening dates, a tabulation of bids, and financial information. The certified record of receipt of bids and the original bid proposal are also enclosed for this project.

The recommended construction contract is necessary to execute a Board-directed and approved Public Works project in support of operational missions. Your Board's approval of the recommended contract award and the subsequent execution of the contract will ensure the timely completion of the project.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Operational Effectiveness (Goal 1) and Integrated Services Delivery (Goal 3). Awarding this contract will provide improved infrastructure to better serve the public and enhance the quality of life in the affected communities.

### **FISCAL IMPACT/FINANCING**

This action will have no impact to the County General Fund.

The construction cost of \$5,125,878.48 is included in the Fifth Supervisorial District's Road Construction Program in the Fiscal Year 2011-12 Measure R Local Return Fund and Road Fund Budgets.

A portion of the project is eligible to receive transportation funds in the amount of \$2,150,000 from the Sunshine Canyon Landfill Transportation Improvement Fee Trust Fund to reduce the Fifth Supervisorial District's Road Construction Program funding requirement. We have also received a Tire Derived Product Grant in the amount of \$22,055, made available by the Department of Resources Recycling and Recovery (CalRecycle) to be used towards construction of rubberized sidewalk.

The enclosure includes the amount of the recommended contract as compared with the engineer's estimate, the other bids received, and more detailed fiscal and financial information.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The contract agreements will be in the form previously reviewed and approved as to form by County Counsel. The recommended contract was solicited on an open competitive basis and is in accordance with applicable Federal, State, and County requirements. The contractor is in compliance with the Chief Executive Officer's and your Board's requirements.

The award of this contract will not result in unauthorized disclosure of confidential information and will be in full compliance with Federal, State, and County regulations. This contract contains terms and conditions supporting your Board's ordinances, policies, and programs including, but not limited to: the County of Los Angeles' (County) Greater Avenues for Independence and General Relief Opportunities for Work Programs (GAIN and GROW), Board Policy No. 5.050; Contract Language to Assist in Placement of Displaced County Workers, Board Policy No. 5.110; Reporting of Improper Solicitations, Board Policy No. 5.060; Notice to Contract Employees of Newborn Abandonment Law (Safely Surrendered Baby Law), Board Policy No. 5.135; Contractor Employee Jury Service Program, Los Angeles County Code, Chapter 2.203; Notice to Employees Regarding the Federal Earned Income Credit (Federal Income Tax Law, Internal Revenue Service Notice 1015); Contractor Responsibility and Debarment, Los Angeles County Code, Chapter 2.202; the County's Child Support Compliance Program, Los Angeles County Code, Chapter 2.200; the County's Defaulted Property Tax Reduction Program Ordinance, Los Angeles County Code, Chapter 2.206; Local Business Enterprise Preference Program, Los Angeles County Code, Chapter 2.204; and the standard Board directed clauses that provide for contract termination or renegotiation.

The State Public Contract Code requires the County to award construction contracts to a responsible contractor with the lowest responsive bid, which is defined as the firm that: (1) submits the bid with the lowest cost; (2) is deemed by the County to be responsive to specific criteria under the solicitation including, but not limited to, licensure, bonding, and insurance requirements; and (3) is determined by the County to be a responsible bidder by exhibiting the capability, capacity, experience, trustworthiness, and financial wherewithal to perform the work required under the bid solicitation.

To ensure the contract is awarded to a responsible contractor with a satisfactory history of performance, bidders are required to report violations of the False Claims Act, criminal convictions, civil litigation, defaulted contracts with the County, complaints filed with the Contractor's State License Board, labor law/payroll violations, and debarment actions. As provided for in Board Policy No. 5.140, the information reported by each respective contractor was considered before making this recommendation to award.

The plans and specifications include the contractual provisions, methods, and material requirements necessary for this project and are on file with Public Works.

## **ENVIRONMENTAL DOCUMENTATION**

On February 7, 2012, Agenda Item 30, your Board found this project to be categorically exempt from the provisions of the California Environmental Quality Act.

## **CONTRACTING PROCESS**

The contract was solicited on an open-competitive basis in accordance with the provisions of the State Public Contract Code.

The State Labor Code requires contractors to pay prevailing wage rates to all persons employed on public works construction contracts. These rates are determined by the Department of Industrial Relations and include contributions for fringe benefits such as vacations, pension funds, training, and health plans for each employee.

To further increase contractor awareness of contracting opportunities with Public Works, this project was listed on the County website for upcoming bids.

Public Works will review and approve the Faithful Performance and payment bonds filed by the contractor.

## **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

This construction contract will result in improved public works infrastructure in the communities where the work is scheduled.

## **CONCLUSION**

Please return one adopted copy of this letter to the Department of Public Works, Construction Division.

The Honorable Board of Supervisors

5/29/2012

Page 5

Respectfully submitted,

A handwritten signature in black ink that reads "Gail Farber". The script is cursive and fluid, with the first name "Gail" and last name "Farber" clearly legible.

GAIL FARBER

Director

GF:JTS:lg

Enclosures

c: Chief Executive Office (Rita Robinson)  
County Counsel  
Executive Office  
Internal Services Department (Countywide  
Contract Compliance)

AWARD OF CONTRACT  
May 24, 2012

PROJECT ID NO. RDC0015326 Gorman Post Road, et al. - Phase 2, (in the unincorporated communities of Gorman and Stevenson Ranch), Supervisorial District 5.

CALL FOR BIDS DATE: February 7, 2012 (Agenda Item 30)

BID OPENING DATE: March 6, 2012

TYPE OF WORK: Reconstruction and resurfacing of roadway pavement and the performance of other appurtenant work.

BID SUMMARY:

Low:	Silvia Construction, Inc. 9007 Center Avenue Rancho Cucamonga, California 91730 (909) 481-8118	\$5,125,878.24
2	C. A. Rasmussen, Inc.	\$5,175,214.50
3	Excel Paving Company	\$5,227,996.79
4	Security Paving Company, Inc.	\$5,282,673.00
5	EBS General Engineering, Inc.	\$5,283,716.25
6	Hardy & Harper, Inc.	\$5,323,000.00
7	Sully-Miller Contracting Company	\$5,334,559.60
8	Griffith Company	\$5,596,592.90
9	Granite Construction Company	\$5,701,062.00

All American Asphalt submitted a bid of \$4,470,000; however, it requested relief of its bid due to a mistake resulting in a significant underbid. Our review confirmed a bona fide mistake, which made All American Asphalt's bid materially different than it intended it to be. Therefore, All American Asphalt should be relieved of its bid as provided in the contract documents.

### FINANCIAL INFORMATION:

Amount of estimate including the Consultant Services Agreement	\$4,458,942.51
Amount of Consultant Services Agreement	\$ 10,000.00
Amount of recommended contract**	\$5,115,878.24
Amount of recommended contract and Consultant Services Agreement above the estimate	\$ 666,935.73

The amount of recommended contract including the Consultant Services Agreement is 15 percent above the estimate. A review of the estimate reveals it did not account for the increase in fuel costs and the additional cost in trucking due to the distant location of the work. While the bid price is higher than the estimate, the bids are competitive, and we do not believe readvertising the project will result in lower bids. Therefore, we recommend award of the contract to the low bidder.

\*\*On February 7, 2012, Agenda Item 30, your Board authorized the Director of Public Works or her designee to award and execute a Consultant Services Agreement with the apparent responsible contractor with the lowest responsive bid to prepare a baseline construction schedule and a storm water pollution prevention plan for \$10,000. The amount of the recommended contract award of \$5,115,878.24 represents the amount of the lowest responsive bid with the cost of the Consultant Services Agreement subtracted from it. Since the amount of the recommended contract exceeds the approved estimate, this recommendation is made to your Board award the contract.

This project is included in the Fifth Supervisorial District's Road Construction Program in the Fiscal Year 2011-12 Measure R Local Return Fund and Road Fund Budgets. We have also received a Tire-Derived Product Grant in the amount of \$22,055, made available by the Department of Resources Recycling and Recover to be used toward construction of rubberized sidewalk.

### ENVIRONMENTAL IMPACT:

On February 7, 2012, Agenda Item 30, your Board found this project categorically exempt from the provisions of the California Environmental Quality Act.

### CONSTRUCTION SCHEDULE:

The contract specifications require the work to be completed in 125 working days. It is estimated that the work will start in July 2012 and be completed in February 2013.

JZ:lg